



# Govt to get Calvary hospital for \$77m

By Victor Violante  
Chief Assembly Reporter

Canberra's health system is poised for a massive overhaul with the ACT Government agreeing to buy Calvary Public Hospital from the Little Company of Mary for \$77 million.

In exchange, the Government will sell the palliative care hospice Clare Holland House to the company for \$9 million, and the Catholic health care provider will use the revenue to establish a second private hospital in the Bruce precinct.

In a joint announcement yesterday, ACT Health Minister Katy Gallagher and Little Company of Mary chairman Tom Brennan said they had reached an agreement-in-principle for the sale, and there would now be six weeks of public consultation on the proposed sale before the acquisition was put to a vote in the Legislative Assembly next year.

Mr Brennan said the company would use the revenue raised from the sale to build a new private hospital next to the existing Calvary Private Hospital and upgrade Clare Holland House, in a joint bid to turn the Bruce precinct into a major health hub for north Canberra.

The company would work with the Government and community to

develop a masterplan for the Bruce health precinct to harmonise services across the private and public hospitals.

Ms Gallagher said Treasury estimated the transaction would save the ACT \$145 million over the next 20 years.

The Government planned to invest \$200 million in Calvary Public Hospital over the next six to 10 years, and if the ACT owned it the capital investment would be budget neutral.

Although the ACT is already facing budget deficits of more than \$500 million over the next four years, Ms Gallagher said the acquisition would be funded from existing cash reserves, which would have to be appropriated through a Bill in the Assembly.

An appropriation Bill could be introduced in the Assembly as early as this year, but it would not be voted on until 2010.

The Greens have already pledged their support for the appropriation, but the Opposition maintained its criticism of the sale yesterday.

The company also faces its own approval process, with the board's decision requiring the approval of the Sisters of the Little Company of

Mary and then the Vatican. The Vatican would seek advice from Canberra and Goulburn Archbishop Mark Coleridge before deciding whether to veto the sale.

The community consultation process will extend to finding a new name for the hospital. Calvary will have to be dropped as it is linked to the Little Company of Mary.

The company has operated Calvary hospital since it was built in 1979, after the Commonwealth Government gifted the site so it could establish a hospital. Since then Commonwealth and ACT governments have entirely funded services at Calvary Public Hospital. In 2008-09 the Government paid \$116 million to the company to run the hospital.

The ACT Palliative Care Society and the Health Care Consumers Association have also raised concerns about the implications of the sale for Clare Holland House, which the company currently operates on behalf of the Government. ACT Health Care Consumers Association executive director Darlene Cox said the association was worried there would no longer be a secular hospice in Canberra.